

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION

FILED
RICHARD W. HAGEL
CLERK OF COURT

2023 JUL 11 PM 3:18

U.S. DISTRICT COURT
SOUTHERN DIST. OHIO
EAST. DIV. COLUMBUS

2:23-CR-149
Judge Morrison

UNITED STATES OF AMERICA,

Plaintiff,

vs.

YI HE,

Defendant.

CASE NO.

JUDGE

INFORMATION

18 U.S.C. § 1343

26 U.S.C. § 7206(1)

FORFEITURE ALLEGATION

THE UNITED STATES ATTORNEY CHARGES:

INTRODUCTION

At all times relevant to this Information:

The Parties

1. Defendant **YI HE** (“**YI**”) was a resident of Powell, Ohio, in the Southern District of Ohio.
2. Roundhill Furniture, Inc. (“Roundhill”) was a furniture corporation registered with the Ohio Secretary of State and located within the Southern District of Ohio. **YI** was a long-time employee of Roundhill and held various positions within Roundhill’s business and financial operations. Specifically, **YI** was responsible for payroll and payroll tax related duties. **YI** also prepared Roundhill’s financial statements and had access to numerous company bank accounts, including full control of Roundhill’s PNC Bank account.
3. Zero Group LLC (“Zero Group”) was a for-profit limited liability company registered with the Ohio Secretary of State and located within the Southern District of Ohio. Designed to reward Roundhill employees with ten or more years of service, Zero Group offered

individuals a way to earn more and supplement retirement. **YI** was a minority owner of Zero Group and had possession and control over at least two of Zero Group's bank accounts.

4. The Internal Revenue Service ("IRS") was an agency of the United States Department of Treasury responsible for enforcing and administering the federal tax laws of the United States, and collecting taxes owed to the United States.

COUNT 1
(Wire Fraud)

5. The factual allegations set forth in Paragraphs 1 and 2 of the Introduction Section of this Information are re-alleged and fully incorporated by reference herein.

6. From in or about 2018, and continuing until on or about June 15, 2022, in the Southern District of Ohio and elsewhere, Defendant **YI HE** knowingly devised and intended to devise a scheme to defraud in order to deprive Roundhill of money and property by means of materially false and fraudulent pretenses, representations, and promises, and the concealment of material facts, and for the purpose of executing the scheme, used, or caused another to use, wire communications in interstate commerce. As a result of **YI's** scheme to defraud, Roundhill suffered a loss of approximately \$26,537,279.92.

Manner and Means

7. The manner and means by which **YI** sought to execute the scheme to defraud include, but are not limited to, the following:

a. **YI** took advantage of his sole access to and control of Roundhill's PNC Bank account to initiate ACH transfers from the account to **YI's** personal and investment financial accounts in unauthorized amounts.

b. To conceal the unauthorized ACH transfers from Roundhill, **YI** created false and fraudulent bank and financial statements for Roundhill's leadership to review.

Wire Communications

8. On or about February 2, 2022, in the Southern District of Ohio and elsewhere, **YI**, for the purpose of executing the scheme described above and attempting to do so, transmitted, and caused to be transmitted by means of wire communications in interstate commerce signs, signals and sounds, to wit: the ACH transfer of \$100,000 from Roundhill's PNC Bank account ending #9566 to **YI's** Robinhood account ending #2145.

In violation of 18 U.S.C. § 1343.

COUNT 2
(Wire Fraud)

9. The factual allegations set forth in Paragraphs 1 through 3 of the Introduction Section of this Information are re-alleged and fully incorporated by reference herein.

10. From in or about April 2022, and continuing until on or about June 15, 2022, in the Southern District of Ohio and elsewhere, Defendant **YI HE** knowingly devised and intended to devise a scheme to defraud in order to deprive Zero Group of money and property by means of materially false and fraudulent pretenses, representations, and promises, and the concealment of material facts, and for the purpose of executing the scheme, used, or caused another to use, wire communications in interstate commerce. As a result of **YI's** scheme to defraud, Zero Group suffered a loss of approximately \$635,000.

Manner and Means

11. The manner and means by which **YI** sought to execute the scheme to defraud include, but are not limited to, the following:

a. **YI** took advantage of his sole access to and control of at least two of Zero Group's bank accounts held at PNC and Fifth Third Bank to initiate ACH transfers from the accounts to **YI's** personal and investment financial accounts in unauthorized amounts.

b. To conceal unauthorized ACH transfers from Zero Group, **YI** created a false and fraudulent bank statement for Zero Group's leadership to review.

Wire Communications

12. On or about April 29, 2022, in the Southern District of Ohio and elsewhere, **YI**, for the purpose of executing the scheme described above and attempting to do so, transmitted and caused to be transmitted by means of wire communications in interstate commerce signs, signals and sounds, to wit: the ACH transfer of \$200,000, falsely categorized as "Rent," from Zero Group's Fifth Third bank account ending #0525 to **YI's** Chase account ending #7266.

In violation of 18 U.S.C. § 1343.

COUNT 3
(Filing a False Tax Return)

13. The factual allegations set forth in Paragraphs 1 through 4 of the Introduction Section of this Information are re-alleged and fully incorporated by reference herein.

14. On or about April 17, 2022, in the Southern District of Ohio, Defendant **YI HE** willfully made, subscribed and caused to be filed with the Internal Revenue Service, a United States Individual Income Tax Return, Form 1040, for the tax year 2021, which was verified by a written declaration that it was made under the penalties of perjury and which the defendant did not believe to be true and correct as to every material matter in that he falsely reported \$302,798.00 of total income, whereas, he then and there knew his true total income was at least \$10,652,798.46.

In violation of 26 U.S.C. § 7206(1).

FORFEITURE ALLEGATION

#. The allegations of this Information are realleged and by this reference fully incorporated herein for the purpose of alleging forfeitures to the United States of America pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).

#. Upon conviction of the offense in violation of 18 U.S.C. § 1343 as alleged in Counts 1 and 2 of this Information, Defendant **YI HE** shall forfeit to the United States, in accordance with 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or was derived from proceeds traceable to such offense, including, but not limited to at least \$27,172,279.92 in United States currency in the form of a forfeiture money judgment.

#. Substitute Assets: The forfeitable property described above, as a result of any act or omission of Defendant **YI HE**:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty.

Therefore, it is the intent of the United States of America, pursuant to 21 U.S.C. § 853(p), as incorporated 28 U.S.C. § 2461(c), to seek forfeiture of any other property of Defendant **YI HE** up to the value of the forfeitable property as substitute assets, including, but not limited to, the following:

- i. The Real Property known and numbered as 3102 Dewbourne Drive, Reynoldsburg, Franklin County, Ohio, with all appurtenances, attachments, and improvements thereon, Record Owner: WhatHome, LLC, and legally described as:

Situated in the County of Franklin, in the State of Ohio, and in the City of Columbus:

Being Lot Number Three Hundred Eighty-Nine (389) of RESUBDIVISION OF PART OF INDEPENDENCE VILLAGE EAST SECTION 3 AND 4, as the same is numbered and delineated upon the recorded plat thereof, of record in Plat Book 59, page 45, Recorder's Office, Franklin County, Ohio.

Property Address: 3102 Dewbourne Drive Reynoldsburg, OH 43068

Parcel Number: 530-191292-00

Subject to protective covenants, conditions, restrictions, easements and rights of way of record, and legal highways.

Last deed recorded at Instrument Number 202103120044847 in the records of the Franklin County, Ohio Recorder

- ii. The Real Property known and numbered as 2908 Freedom Trail, Reynoldsburg, Franklin County, Ohio, with all appurtenances, attachments, and improvements thereon, Record Owner: Yi He, and legally described as:

Situated in the State of Ohio, County of Franklin, and City of Columbus:

Being Lot Number One Hundred Thirty-Four (134), of Independence Village Section 2, as the same is numbered and delineated upon the recorded plat thereof, of record in Plat Book 51, Page 38, Recorder's Office, Franklin County, Ohio.

Also known as 2908 Freedom Trail, Reynoldsburg, Ohio 43068
The County Auditor's Tax Parcel Number for the Property is as follows: 530-172041-00

Last deed recorded at Instrument Number 202211010151225 in the records of the Franklin County, Ohio Recorder

- iii. The Real Property known and numbered as 2676 Landsburn Drive, Columbus, Franklin County, Ohio, with all appurtenances, attachments, and improvements thereon, Record Owner: Yi He, and legally described as:

Situated in the State of Ohio, County of Franklin, and City of Columbus:

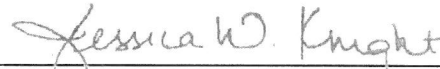
Being Lot Number One Hundred Forty-four (144), in Brandywine Meadows Section 2, as the same is numbered and delineated upon the recorded plat thereof, of record in Plat Book 49, Page 51, Recorder's Office, Franklin County, Ohio.

Also known as 2676 Lansburn Drive, Columbus, Ohio 43231
The County Auditor's Tax Parcel Number for the Property is as follows: 600-168280-00

Last deed recorded at Instrument Number 202211010151224 in the records of the Franklin County, Ohio Recorder

Forfeiture notice pursuant to 18 U.S.C. § 981(a)(1)(C), 21 U.S.C. § 853(p), and 28 U.S.C. § 2461(c), and Rule 32.2 of the Federal Rules of Criminal Procedure.

**KENNETH L. PARKER
UNITED STATES ATTORNEY**

A handwritten signature in cursive script, appearing to read "Jessica W. Knight", is written over a horizontal line.

**JESSICA W. KNIGHT (0086615)
Assistant United States Attorney**